

The Spirit Of The Age.

Freedom of Inquiry, and the Power of the People.

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The Spirit of The Age.

MONDAY, JULY 19, 1841.

SPEECH OF MR. WRIGHT.

OF NEW YORK.

IN SENATE, JULY 9, 1841.—On the bill for the repeal of the Independent Treasury law.

MR. WRIGHT said: Mr. President, I am not surprised or disappointed that our respected opponents leave exclusively to us the debate upon the final passage of this bill. I know the power is sometimes more anxious to execute its purposes than to give reasons for its course; to do execution than to offer arguments in justification of the act. I remember, too, that an eminent English judge is said to have advised a friend, about to enter upon the discharge of judicial duties, and not very confident of his qualifications, to decide, but to give no reasons in support of his opinions. I was prepared to expect that the repeal of the Independent Treasury law was a matter so well settled in the minds of the majority of the Senate, that the passage of this bill, and not the reasons for its passage, without any provision for a substitute, would occupy their attention and govern their action. Of this I have no right to complain, and do not complain; and I refer to the fact simply to lay the foundation for the apology I owe to the Senate for throwing myself upon its attention, and occupying its time, so plainly against the sense of a majority of the body, and when I know that majority will not debate the question; will not advance arguments in favor of the passage of the bill, or reply to those advanced against it. It is painful for me to speak under such circumstances, and under the deep consciousness of the impatience which must be felt by those whose determination is simply to listen, and press the question; and could I make myself believe that my public duty upon the subject would be discharged by a silent vote, I certainly should not interfere to impede for a moment that result, which the majority of those I am to address so earnestly seek, and which I know must speedily be produced.

I am well aware that the general subject of discussion is an old acquaintance in this chamber, and that not the members of the Senate simply, but the people of the whole country, are supposed to be perfectly acquainted with it. Still I believe much remains to be said before the vital importance of this action will be properly understood and justly appreciated, in its necessary influences upon the most essential interests of the nation, even here, and much more by the people at large. Hence the imperious sense of duty which compels me to occupy the time and ask the attention of the Senate under circumstances at least as unpleasant to myself as to it.

I am deeply indebted to the honorable Senator from New Hampshire, [Mr. Woodbury,] for the able speech with which he opened this debate, as he has performed a duty which, upon repeated former occasions, has fallen upon me, that of showing what this Independent Treasury system really is, and has performed it in a manner better than I could hope to have done. I am thus saved the consumption of time equal to that which he has occupied, and the cause we advocate has received that aid from his powerful mind and practical experience, which it could not have received from any effort of mine. In following that learned Senator, I shall repeat as little after him as possible, and keep the course I have marked out for myself, and I will promise to restrict my remarks within the narrowest limits of time consistent with a fair discharge of the duty which impels me to ask to be heard at all.

It is impossible to discuss the question presented in the manner in which I propose to discuss it, without direct reference to some substitute to be adopted, as a system of finance for the Government, in the place of the Independent Treasury system, now to be repealed. After what has taken place in the course of the action of the Senate as a committee of the whole upon this bill, I feel authorized to assume that that substitute, if any be adopted, will be a Bank of the United States of some character. Such is the frankly avowed opinion and wish of the honorable Senator from Kentucky, [Mr. Clay,] and the votes of the Senate upon propositions to modify the State bank deposit law of 1836, so as to make it again of practical force, seem to indicate that such is the preference of a majority of the body. I shall, therefore, assume that the Independent Treasury law is to be repealed, and give place to the National Bank, and shall base my argument upon that assumption. As to the peculiar powers and privileges to be conferred upon the Bank to be created, or the place of its location, I care nothing, if it be conceded that two provisions will be incorporated in the charter: neither of which, as I suppose, will be surrendered by the consent of any member of the Senate who intends to vote for a Bank at all. The provisions to which I allude are, first, the right and duty on the part of the Bank of collecting, keeping, and disbursing the public money; and, second, that making the notes of the Bank a legal tender in all payments to the public Treasury. The first of these provisions is indispensable to constitute the Bank the fiscal agent of the Treasury, the ostensible purpose for which it is to be chartered; and the second is the only effectual mode in which the credit of the country can be so blended with the credit of the Bank as to draw around it the requisite degree of public confidence to enable it to control all the local banking institutions. I will further assume, therefore, as a fact universally admitted by the friends of any form of a bank, that these two privileges will be conferred upon it, and if it possess them, it is a matter wholly immaterial to the argument I propose to offer, what other attributes may be given to the institution.

In the course of the debate, when the bill was in committee of the whole House, some reasons were assigned for this speedy passage of it, and I propose, in the first place, to examine one or two of them, that we may see whether they have in fact the force which those who offered them seemed to suppose.

The honorable Senator from Kentucky [Mr. Clay] opened his argument with a metaphor, to illustrate the necessity of the passage of this bill, as the first step in the important proceedings of this important special session of Congress. He told us, in substance, that the wise architect always pulled down the old building, and cleared away the rubbish, to make room for the new edifice, and that, in like manner, the Senate should annihilate all existing fiscal agencies before they commenced to lay the foundations of his proposed new and more splendid agency, a Bank of the United States. I admit that this course is sometimes not only wise, but necessary in architecture, but I appeal to the candor of the honorable Senator himself to say whether it is of universal application. Suppose he should see the head of a family in this city turn his family out upon the pavement, and vigorously commence to tear down the mansion which was their only shelter from the weather and the storm, and, upon inquiry, that head of that family should tell him that the timber for his proposed new house was still growing in the forest; that the bricks which were to form its walls were yet resting in the bank of earth out of which they might be formed, and that the pecuniary means for the erection of the new edifice were yet to be earned by industry, accumulated by some untiring enterprise, or obtained

by a loan upon credit; would he consider that man a provident father and husband, or believe that he was following the directions of a wise architect? If this destructive operator should tell the honorable Senator that there were differences of opinion between himself and the members of the family, and in relation to the expediency of building anew, and more especially in relation to the size and plan and description of the new building which they should erect, and that he had found it necessary to demolish the old house, and turn them out to the weather, without shelter from the heat or protection from the cold, to force them to unite with him in the erection of his proposed new edifice, the reasons of the man, for his apparently rash course, would be palpable; and still the Senator would be compelled to say that his appeal was to violent arguments to force harmony in his family, and would be forced to admit that his course savored more of resolution than of wisdom, fairness, or justice. Suppose further, the members of the family should tell the honorable Senator that the new house was not, in any event, to occupy the site of the old; that the new site was not yet either secured or selected, and that the only point determined about it was that it should be upon a different lot, a different street, and in an entirely different quarter of the town from the old. This would show the absence of all necessity for the demolition of the old building, and would not certainly relieve the act of the head of the family in tearing it down, and turning his family homeless into the public streets, from the character of rashness which it first assumed.

I will apply the Senator's metaphor, thus illustrated, to the case before the Senate. He insists upon a speedy repeal of the Independent Treasury law, to give place, as he says, to a National Bank, when he does not know, and no man yet knows, that a National Bank can be passed by Congress; when he does not know, and no man yet knows, in case a majority of the members of each House of Congress shall be able to agree upon a charter, that it will be such an one as can receive the approbation of the Executive. He does know, however, and we all know, that there are differences of opinion between members of the Senate as to a political party, not only as to the description of the Bank to be incorporated, the extent of the powers and privileges to be conferred upon it, and the location to be given to it, but upon the question whether a National Bank shall be chartered at all, or some other fiscal agent for the public treasury shall be constituted.

Does he not further know that the Bank or other fiscal agent proposed to be constituted by his party, whatever may be its form, and by whatever name it may be called, is not to occupy at all the site of the old building, the Independent Treasury? Certainly he must know this. The Independent Treasury is erected upon solid constitutional ground. Its foundation walls are laid strong and deep in that sacred soil. This is a point beyond doubt, and I do not suppose any single individual whom I address, ever has held, or pretends now to hold a doubt as to the strict and express constitutionality of the Independent Treasury system as a fiscal agency for the Treasury. Not so with the honorable Senator's proposed National Bank. It can only be reared upon the marbles of the constitutional land, if indeed it can occupy so treacherous and moveable a foundation within the boundaries of that consecrated territory. Its constitutionality is more than questionable, to use no stronger expression, and its site cannot approach that occupied by the treasury of the Constitution itself. Hence, then, the necessity for raising this old and plain and homely building, with such hot haste, because a new edifice is to be attempted in another quarter? The new edifice, I do not doubt, if erected, will be more splendid in its architecture, more glittering and showy in its appearance, but the old house is not in the way, and need not be demolished to make room for the marble palace which is to succeed it. Will not gentlemen consent to let this plain and homely building remain, unless though it may be, and unaccounted as it surely will be, if a splendid Bank is to become the treasury of the people? Will they not in this instance follow the worthy example of many of the hardy yeomen of our country, who, when industry, frugality and prosperity have enlarged and beautified, but suffer the old log cabin to remain, a monument of humbler circumstances, though perhaps not of less happy days or honest dealings? Let the same course be pursued as to this Independent Treasury law, this old building about to be hastily demolished. It can do no harm, and will be a memorial of a period when the currency of the Constitution was the currency of the law; when money, and not credit, was collected into the public treasury, and paid out to the citizens who labored in the public service; when reality and intrinsic value, and not paper promises and confidence, were the standard of value for all our property. This old building may indeed be offensive to the eyes of some of the occupants of the proposed new edifice, but surely it will not, in that circumstance, find a necessity for tearing it down and obliterating its foundations, before even the plan of the new building is formed, or its site selected. Let, I entreat gentlemen, the old house remain until the erection of the new building supersede its use, and then let it still remain, a monument of the wisdom, or the folly, as experience shall decide, of its construction.

Another reason which has been repeatedly assigned for the early passage of this bill is the assumption that the decision of the people, at the late fall elections, was against the Independent Treasury, and demands from their representatives the repeal of the law establishing it. It is said that resistance against the repeal is direct resistance against an express mandate of the people. Is this so? I do not stand here to say that it is not so, but if gentlemen insist that the elections referred to were a decision of the people against the Independent Treasury, in favor of what system of finance did those same elections express the opinion of the people of the country? In favor of the now proposed substitute, a National Bank? No. So far as my acquaintance extends, that result, from those elections, cannot be established. The Presidential elections of 1840 were, in the manner of conducting the canvass, new and singular to the country, and it is not easy to determine what was decided by them, beyond the choice of the successful candidates. It is insisted, however, by the dominant party, that a decision of the people against the Independent Treasury is one point clearly established by those elections. This may be so; but it does not follow that such decision was also in favor of a National Bank. This, however, is now assumed, and I will take this occasion to repeat, what I have once before expressed from my place here, that it may as well be urged, and upon much stronger evidence, that the decision of the people at those elections required of the distinguished individual elected to fill the Presidential chair, and of him who now fills it, that they should have declined to occupy the splendid mansion at the other end of this avenue, erected by the people for the use of their President, and should have erected for their official accommodation a novel of slabs, or a log cabin, upon the beautiful public grounds which surround that proud dwelling of the people, or upon the pavements of the street adjacent; that these high functionaries and public servants should have

discontinued from the President's House and table the rich and gorgeous furniture which it has pleased the people to provide and supply for the use of their Chief Magistrate, and should have supplied the deficiencies thus produced, by stools and spoons and plates of wood. Would any one now contend that absurdities such as these were decisions of the patriotic and intelligent freemen of this country at the elections referred to? And yet these very subjects were made matters of grave debate in high places, and throughout the popular meetings of the dominant party, during that canvass, and I might add a hundred other topics equally novel and absurd, to which a leading prominence was given by the whig orators pending that canvass. No one will now stand up here, or elsewhere, and contend for the force and weight of favorable popular decisions upon these irrelevant, disgusting and disgraceful issues. All these extravagances of political effort are as revolting to my mind and feelings now as they were when being used as means of popular delusion; and I do not refer to them from any pleasure I take in bringing them back to the memories even of those who participated in the farce, much less those who did not, but simply for the purpose of showing gentlemen, who are now so fond of quoting the popular authority exhibited at these elections, in support of their proposed measures, that their issues for that spirited and important controversy were formed with reference to success in the vote, than to measures of government, which should be consequent upon that success; and, as proof of this position, to remind them that evidences of popular decisions in favor of these absurd trifles, are much more abundant and strong than they are in favor of the establishment of a third National Bank.

Upon this point I speak from some personal acquaintance with the facts. During the canvass referred to, for the first time in my life, I followed the universal example and traversed a considerable portion of my State to meet and address assemblies of the people upon the political topics of the day. One of my almost invariable efforts in my addresses to the freemen of the State was to prove to them that the prominent object of the party opposed to me was the re-establishment of a National Bank in close connection with the National Treasury and the National Credit; and it was almost as constantly as I discussed this point, that I declared my own opinion, which I held, and which I still hold, and which I am bold to declare to the people, that the National Bank, as proposed by the Whig party, in subsequent familiar conversations with me, and I was assured in the strongest and most earnest manner, that I was mistaken as to what would be the policy and measures of the party, if successful at the elections. These conversations were not political disputes, but friendly and familiar interviews, and the avowments were strong and positive that a National Bank would not be a measure of the party. The gentlemen to whom I allude gave me credit for sincerity of belief in the position I attempted to establish, and I acceded to them then, as I do now, credit for perfect sincerity in the declarations they made to me. They were, and are, and will be, as I have said, not the Bank, but the question as involved in the elections, many of them denied, in that bold and public manner, that a Bank was a measure which they or their party favored, and denounced in the strongest terms their political opponents for charging friendship for a National Bank upon them. And shall it be said, under such circumstances, that the popular decision, in a canvass so conducted, was in favor of such a Bank? I repeat, the position cannot be sustained by facts or history.

Assume, for the sake of this argument, that the popular decision, at the elections of 1840, was against the Independent Treasury, and how will it stand in this respect, by the vote of the proposed substitute, a National Bank? This substitute does not rest under one popular condemnation simply. The old Bank of 1816 reached the termination of its charter in 1841. The subject of a recharter was agitated, and the popular voice controlled the action of the people's representatives; the recharter was refused; and the Bank suffered to expire. The second Bank of 1816 anticipated the limitation of its charter by the period of four years, and made its application to Congress for a re-charter in 1832 pending an existing presidential election. The majority of the representatives of the people in both Houses of Congress, favored the wishes of the Bank, and passed a bill for its recharter for a second period of twenty years. The then President of the United States, at the time a candidate for re-election to that high office, returned the bill with his veto, and its passage was thus defeated. He made an appeal against the Bank directly to the people of the country, and the Bank and its friends joined the issue with alacrity, and manifested no less reluctance than the President to go to trial before the grand inquest of the nation, the freemen, at the polls of election. Never was political issue more distinctly formed; more fully argued; more constantly kept before the eyes and the minds of the people, or more clearly and triumphantly decided; and never was the condemnation of the popular voice more unequivocally expressed than against this second Bank of the United States upon that occasion. This was the second distinct judgment of the people against a Bank of the United States.

There has been a third controversy, however, which elicited a third verdict of the same character, and took place in October, 1833, General Jackson, then having entered upon his second Presidential term, ordered the deposits of the public money to be changed from the Bank of the United States to the State Banks. This gave rise to the celebrated "panic session of Congress," so called, and to the exciting Congressional elections of 1834 and '35. Again President Jackson and his administration were engaged in the trial of a political issue before the people against the Bank of the United States, and its friends and supporters. The form of the question, but the substance, was the same. It was, in substance, whether the Bank was to be continued, or whether the deposits were to be removed to the State Banks. The issue was again clearly and triumphantly decided, and the Bank suffered to expire. The second Bank of 1816 anticipated the limitation of its charter by the period of four years, and made its application to Congress for a re-charter in 1832 pending an existing presidential election. The majority of the representatives of the people in both Houses of Congress, favored the wishes of the Bank, and passed a bill for its recharter for a second period of twenty years. The then President of the United States, at the time a candidate for re-election to that high office, returned the bill with his veto, and its passage was thus defeated. He made an appeal against the Bank directly to the people of the country, and the Bank and its friends joined the issue with alacrity, and manifested no less reluctance than the President to go to trial before the grand inquest of the nation, the freemen, at the polls of election. Never was political issue more distinctly formed; more fully argued; more constantly kept before the eyes and the minds of the people, or more clearly and triumphantly decided; and never was the condemnation of the popular voice more unequivocally expressed than against this second Bank of the United States upon that occasion. This was the second distinct judgment of the people against a Bank of the United States.

That time is now claimed to have arrived, and

the movement is now to be made; but I trust that I have shown that, in my section of the Union, at least, the elections of 1840 were not contested upon this ground, and do not furnish that evidence of a change of the popular will in reference to a National Bank, which authorizes the assumption that the change has been effected, or sanction the establishment of a Bank upon the strength of it. If those elections condemned the Sub-Treasury, they did not relieve a National Bank, the now proposed substitute, from its triple condemnation, and it is a more manifest resistance of the expressed will of the people to urge upon them the charter of such a Bank, than it is to resist this hasty destruction of the Independent Treasury, while no substitute is proposed which has not met their more repeated and stronger condemnation.

The State bank system has been twice tried; once from 1811 to 1816, and again from 1833 to 1837. I do not know as I can truly say that this system has ever been distinctly submitted to the people and received their verdict. It was put into operation by Executive authority on both occasions, and though recognized by Congress during the latter period, and made the system of the law, its utter failure upon both trials, and especially upon the new legislation, and thus brought on the existing controversy between an Independent Treasury and a National Bank, almost without reference to a third system. Yet the very small number of representatives in either branch of the National Legislature, who have since the suspension of the banks in 1837, favored the system of State bank deposits, authorize the inference that there is now but a comparatively small party in the country who adhere to that plan of managing the finances of the Government, as preferable to both of the others which have been considered; though there may be very many who consider it, unfortunately as it has hitherto been in practice, preferable to the one or the other of the different systems.

The present President, in his message tells us, boldly and manfully, that all these three systems of fiscal agency for the Treasury, have respectfully met the condemnation and rejection of our common constituents, the people of the country. Can it be, then, that a necessary process itself upon the popular voice, the public will, to sweep away one of those systems for the purpose of putting in its place either of the others, equally repudiated and equally condemned by the people? But no. I ought not to say equally repudiated and condemned, for such is not the fact. A National Bank has been tried for the term of forty years, and, as the result of that thorough and patient trial, has met three distinct condemnations from the ballot boxes. The State bank deposit system has had two separate trials, the one of five and the other of about four years, and has made, within those short periods, a perfect failure upon both occasions. The Independent Treasury has not been tried. The law establishing it was passed on the 4th of July last, eleven months and five days from this day, a time insufficient to put the system into perfect operation, much less to give it a fair trial and test its merits and defects. The provisions of the law bring it into gradual operation in its principal bearing upon the currency, and time has not yet elapsed sufficient to make an advance of a single step in the progress of the law towards a sound and stable and uniform currency of intrinsic value. It is not then under equal condemnations that these systems rest. The two former have repeatedly been condemned themselves and been condemned by the people, after fair, full, and patient trial; and the people, after fair, full, and patient trial, have condemned at the hands of political opposition, not as the consequence of experimental defects, or evil tendencies; and is to be cut off, repealed, destroyed, without trial and without a substitute. What fault has been found with its operation hitherto? Have the sound, solvent business merchants, complained from any thing but apprehension? Has the short experience which they have had confirmed their apprehensions? Not that I have learned, or heard, though I have heard much which goes to prove the reverse. Yet, sir, the old building must come down. A Bank place must be erected, and the old site is not wanted, and cannot be occupied, the structure upon it will be unseemly to the tenants of the new mansion, and it must be razed to the ground and its foundations, which cannot be dug up and destroyed, must be covered over and ornamented, so as to conform in appearance at least, to the new system.

So much for the reasons which have been offered for the speedy passage of this repeal bill, based upon the necessity of tearing down and clearing away, to make room for the new "fiscal agent," a Bank of the United States, as the honorable mover of the bill tells us; and upon that assumed command of the people, which requires us to hand down the demolition of their Treasury, constructed upon constitutional principles, that such a Bank may be erected, not upon its ruins, for that can never be, but as its substitute and keeper of the people's treasure.

I will now examine, as briefly as I may, the action and tendencies of these two systems of finance for the nation, upon certain great and leading public interests, governmental and popular. And, first, the natural action and tendencies of the two systems upon the currency of the Treasury and the currency of the country.

The currency of the Independent Treasury, if it shall be permitted to go into full operation, is gold and silver, the currency of the Constitution is gold and silver, the currency of the Constitution is gold and silver; it is a currency established by the standard of value, which cannot be raised in value at will, or depreciated; which cannot be raised at pleasure, or contracted, to promote particular interests, or the objects of corporate or political ambition. It must constantly have the uniformity, both of value and quantity, which the trade of the world will allow. It must be regulated by those laws which regulate the trade of the world, and these are the laws which govern our controlling markets, and the value of our property seeking a disposition in commercial channels.

The currency of a National Bank is the paper promises of the Bank to pay; a manufactured by the Bank at pleasure; possessing no intrinsic value; subject to be expanded or contracted, and consequently to be raised in value, or depressed, at the pleasure of the Bank and its managers; is not necessarily governed by the laws of trade, either as to its quantity or value, and never can have the uniformity which those laws require for a safe and salutary medium of exchange.

The currency of the Independent Treasury system is a standard of money, of exchangeable value, as stable as the standard of weights and measures; established by this Government in conformity with the express requirements of the Constitution, like the standard of weights and measures, and furnishes a uniform measure of value, as well for the currency as the property of the people. The power given to Congress over the three standards is the same, and the grant is contained in the same clause of the Constitution. It is to be found in the 5th clause of the 8th section of the 1st article, and is in the following words:

"The Congress shall have power to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures."

And it is less important to every great interest in

a commercial country that the standard of value should be stable, uniform, and true, than that the standards of weight and measure should be? The latter are measures of quantity, and the former is the measure of value; any why do we wish to be accurate in measuring the quantity but in reference to the value of the commodity measured? Surely, then, if we measure quantities as a more step towards valuations, the measure of value should be, of all things, accurate and true. And can that be a true measure of value, as an open exchangeable currency, passing from hand to hand by mere delivery and without reference to the responsibility of the payers, which has no value in itself, and simply purports to be the representative of value which is not present? Such a currency cannot be a standard, but requires a true standard for the measurement of its own value.

How is it, then, with the currency of a National Bank, in this aspect of the case? It is its own paper; its own promises to pay; a standard of value entirely artificial and arbitrary; unknown to the Constitution as money, and certainly as a standard of money; wholly destitute of intrinsic value, held, not by the people, but by the interested officers of the Bank; can be expanded without comparative cost, and contracted without comparative loss; is subject to be raised and depressed in value, not by the laws of trade alone, but by the whims and interests of the managers of the Bank, and by panics and passions and prejudices in the public mind. Such are some of the differences between the currency of the Independent Treasury system and the currency of a National Bank of issue and discount.

Again, The natural action and tendencies of the Independent Treasury system are opposed to the contraction and continuance of a public debt of any character. Its officers are paid by stipulated salaries, and their direct interests are to be diminished, as far as may be in their power, their responsibilities, and duties. Large collections of money to be received and kept and disbursed by them would increase both, while a debt would add to the necessary collections and payments in exact proportion to its amount. It would further add to the duties and responsibilities of these new officers through the necessary process of management, such as the multiplication of accounts, the necessity of transfers, the complexity of calculations, and the like.

A large debt, too, would increase the necessity and the danger of accumulations of coin in the public vaults, as the sums to be paid for interest or principal, would have to be accumulated against the day of payment, at the peril of the public credit, and serious evils might be visited upon business men and the local banks by the hoarding thus rendered imperiously necessary. Such a consequence and even the apprehension of it, would array these interests against the contraction or continuance of a heavy debt, as would every natural tendency of this system.

Not so with a National Bank. Its natural tendencies would be all in favor of a national debt of a permanent character. The management of the debt, as the fiscal agent of the Treasury, would give it a hold upon the Government, and the country, strongly calculated to secure its own perpetuity. The stock, which should compose the debt, would present the most convenient and desirable investments, upon occasions, for its capital and surplus means. A trade in the stocks would frequently present greater inducements of profit for the employment of its extensive means, than ordinary bank loans; while its foreign operations, in exchange and otherwise, would be greatly facilitated by the ability to command a Government paper, which would answer its purposes for remittance abroad instead of the precious metals; for we must not delude ourselves with the idea that we can give to a National Bank, by our action, a credit which will make its notes current, as money, in a foreign country. Another consideration, overlooking all the rest, and which will ever make a National Bank in this country, if not in all others, favor the existence of a permanent national debt, is this: The Bank, as the fiscal agent of the Treasury, must manage the debt. Through that management, when the debt is large, it can control the public credit of the country, and by its command of the public credit it will be able to control the Government of the people, and even the people themselves, and in that way render its existence and its power secure and perpetual. What gives to the National Bank of England its strength and durability? Its power to command a recharter at pleasure, and to dictate the value of money and the measure of credit to the British nation itself; its hold upon the Government through its great national debt. The capital of the Bank is a part of that debt, and the management of the debt, and the delivery and importance of the credit of the nation, by reason of its immense indebtedness, places the Government in the power of the bank, and compels it to move in subservience to its interest. What is true in England will be true here, under like circumstances, and a National Bank in the United States will be just as much strengthened by a national debt, and be just as anxious for the existence and permanency of such a debt, as is the National Bank of England. Indeed, I have long been convinced that a National Bank cannot be long sustained in this country, and under our present institutions, without the aid and support of a large existing national debt.

The Independent Treasury will bear an equally favorable comparison with a National Bank as to the natural action and tendencies of each upon another point of great public interest. I refer to the subject of taxation. Every tendency of the Independent Treasury system must naturally be against excessive taxation of any description, and in any form. Any policy or course of measures calculated to accumulate a surplus revenue in the Treasury of the United States would render that system burdensome and oppressive upon the people, and upon every business interest of the country, because it would, to the extent of the surplus, withdraw the precious metals from use, to be hoarded in the public vaults. The system being preserved, therefore, such policy and such measures could not fail to attract the attention of the business community, and to become unpopular; the only consequence which, under our free representative institutions, need be produced to insure their abandonment and repeal. This necessary and unavoidable tendency of the Independent Treasury system has ever appeared to me one of its greatest merits. If continued in operation, it will be sure to relieve us forever hereafter from extravagant tariffs, excessive taxation, and surplus revenues; evils which have done more to impoverish and enervate the country, than any other single cause, and which powerfully contributed to bring on the excesses in trade, in banking, in credit, and in speculations, which immediately preceded, and necessarily produced, the present revolution, depression, and derangement of our trade, our commerce, and our currency. A perfect defence and protection against these excesses for the future, and against the certainly consequent collapse, should be an object of the first importance with the statesman; and the fact that the Independent Treasury system must, if continued, prove to be this defence and protection, ought strongly to recommend it to every man of property, or business, and most especially to the great commercial interests.

Not so the bank system. Charged with the collection, keeping, and disbursement of the whole

public revenue, for no other compensation than the profits to be made from the use of the money of the people while remaining in deposit, that a National Bank will favor precisely that course of policy, and those measures, which will bring the greatest amount of money into its vaults, and consequently the greatest amount of benefit to its interests, must be just as true as that the officers of Bank will consult their own interests, and the interests of those who employ and pay them, or that the stockholders of a bank will prefer large to small dividends upon their stock. A surplus revenue is, to such an institution, a permanent deposit, a permanent increase of its banking capital; and the head of the institution can always tell, quite as accurately as the head of the Treasury Department, what rates of taxation will simply meet the appropriations of Congress, and what rates will be sure to leave a beneficial surplus of revenue for the use of the Bank. Can any one doubt, then, which of these rates the influence of the bank will be exerted to produce? The natural tendency will be towards the rates which will produce the surplus; and that will be the practical tendency so long as a money corporation shall be the agent to exact the influence. The conclusion is unavoidable. The business of the bank is to make money for its officers, managers and stockholders. The desire to be connected with the Government, as its fiscal Agent, springs solely from the expectation of profit to be derived from the extended powers conferred, the strong credit imparted, and from the use of the money of the people deposited; and it would be absurd to believe that the influences of the institution are to be so exerted as to defeat the very objects of the connection. The Bank, therefore, must be a system of taxation which will draw the greatest amount of money from the pockets of the people to its vaults, under the name of revenue to be collected, kept, and disbursed by it.

Other inducements, however, besides that of the mere profits of banking, increase this tendency of a National Bank to favor taxation. Next to the desire of immediate profits, is the desire for perpetual existence, on the part of these money corporations, and every thing which extends their power over debtors, their means to accommodate more borrowers, and to enlarge the limits of their money power, increases their security, strengthens their hold upon the people, and adds to the chances of the extension of a limited charter. Indeed, the experience of the past has shown to us that, when the amounts of surplus revenue in the vaults of a bank are large, and its necessities pressing, other than ordinary bank loans can be made of the money of the people to influence the actions of the people and of their legislative assemblies. Portions of the press can be bought up and controlled. Mad speculations can be set on foot and stimulated. The purity and integrity of the ballot box can be secretly but fatally assailed. The action of the State Legislatures, if not the action of the National Legislature, can be experienced upon, if successfully influenced, by such means in such hands. And certainly the Senate will not be disposed to hastily to destroy a safe and salutary fiscal system, to substitute another, for which they will be willing to draw objects like these from the pockets of the people for such use. I will not say that a future bank, now to be created, will indulge in such practices, but the daily developments of this present period are constantly showing to us that the late Bank of the United States has indulged in them; and more, that a main cause of its present ruin and prostration is the appropriation of the means in its hands, public and private, to break down the local banks of a single State. Such regulation of our banks and our currency ought not to be desired by an interest, or any party; and what security can we have that what has so recently been most not again be brought about, if we voluntarily reconstitute the same dangerous machinery? We have seen what its natural tendencies are, and what its action has been, and have we any foundation for saying that either will be different in future? It seems to me not.

I will now examine very briefly the action of these two systems of finance upon credit. Here the greatest benefit is promised, and seems to be expected, from a Bank of the United States; and the greatest injury apprehended and feared from the Independent Treasury. What must be the action, and what the tendencies of each? The Independent Treasury system must, from its nature and the necessity of the case, as a restraint upon the excesses of credit, and therefore, in that sense, prove a salutary regulator of it. Using credit itself, when it shall have been created, and when it must, as a means of doing so, it will not be able to hold up before the bank, the merchants, the brokers, the business men of all cases, a sound and uniform currency of intrinsic value, a standard by which alone the value of all credits, as well as all property, ought to be, and must finally be, measured. It stands in the whole country as do the weights and gauges, and measures, in the markets of commerce, and brings all commodities to the true standard of value, as do the latter to their true standard of quantity. This apprehension is that it will prove too rigid and severe a regulator of credit, and no experience from its action has as yet confirmed this fear. Why should it continue? The currency of the Independent Treasury is a currency of gold and silver, the standard of truth, and none but fair credits need apprehend injury, and none but fair credits will be in fact, what every credit ought to be, a representative of intrinsic value existing anywhere, this standard of intrinsic value will strengthen and confirm it; but if it be a false credit, the mere representative of imaginary value, having not real existence, the standard will be precisely the one which every great interest of a commercial country requires; the regulator, and the only one which can preserve soundness, uniformity in trade, by distinguishing the sound credits from the false, and strengthening and confirming the former, while it discredits and drives out of the market the latter.

How is it with a National Bank in these respects? Under the system of banking which universally prevail in this country, a bank may be not inappropriately defined to be incorporated credit, and a National Bank may be as appropriately considered a monopoly of incorporated credit. I am aware that here rests one of the great merits of such an institution in the minds of those who favor its establishment, and that here I am to meet the strongest resistance from talented and respected opponents. They consider the great value of a National Bank to consist in its power to regulate credit, and especially to regulate the credit of the money market, and to do so by different things, as well as by a money corporation, as an individual. They may give great powers to a bank, and all great powers may be used for the accomplishment of great good, if the will and the wisdom exist and act with the power; but Congress cannot give the will or the wisdom, and the dear bought experience of our country, with two former banks proves that these properties are not naturally united, or likely to act together, in a money corporation. I know that the late Bank has sometimes proved a severe regulator of the credit of weak institutions and single individuals, in small and ordinary transactions, and that it has been accustomed, in such cases, to take to itself the lion's share, to extend its profits by restraints imposed upon their business. These, however, have been, in a national sense, small matters.

In the great floods and ebbs in the tides of ad-